could not fructify as the three major iron ore consuming companies, identified as potential joint venture partners, were agreeable to join in the joint venture only if they were the sole co-promoters with NMDC and the management rights vested in them.

The Steel Ministry examined the issues involved in May, 1994 and advised NMDC that the project may be developed as a joint venture with participation of one of the private companies operating or setting up a gas-based sponge iron plant in the country, who have already an assurance from NMDC to meet a substantial part of the plant's requirement for iron ore. The Government also suggested specific criteria to NMDC for selection of a joint venture partner.

The Board of Directors of NMDC constituted a sub-committee to select a joint venture partner on the basis of the criteria suggested by Ministry of Steel. The recommendations of the sub-committee, accepted by NMDC Board, are as follows:—

(i) To enter into joint venture with one of the following partners in the given order of preference:

i) M/s. Nippon Denro Ispat Limited.

ii) M/s. Essar Gujarat Limited.

(ii) To transfer a part of the Lease of deposit 11-B held by NMDC (i.e. the area comprised in deposit 11—B) to the joint venture company after following the prescribed procedures.

(iii) To seek decision of Government regarding the consideration to be charged for transfer of the mining lease.

The Steel Ministry made an in-depth analysis of the recommendations received from NMDC and submitted a note to the cabinet for consideration. As regards consideration to be charged for transfer of mining lease, it was felt that it would not be appropriate to treat it as a normal commercial transaction and realize the maximum consideration because this would render the final product costly and uncompetitive. Moreover, the transfer was proposed to a joint venture company in which NMDC itself is a partner, At the same time, the Steel Ministry felt that NMDC should not be put to any pecuniary loss and should be compensated for the actual expenditure that it had incurred on exploration, feasibility and other preliminary works. The Steel Ministry, hence, proposed that the actual expenditure incurred as above, updated to current costs through an appropriate method to be determined by a recognised professional organisation such as the institute of Cost & Works Accountants of India (IOWAI), should be recovered from the joint venture partner.

The Cabinet, in their meeting on 30.5.95, accorded approval to development of Bailadila 11-B deposit as a joint venture. Based on this, approval was accorded to NMDC on 13.6.95 to form the joint venture company and take other consequential actions. The interests of the local people and trade unions have been safeguarded by advising NMDC to stipulate in the joint venture agreement that the joint venture company will recruit all skilled, semi-skilled and unskilled workers through the Local Employment Exchange except to the extent that such workers are not available with the Local Employment Exchange. The joint venture agreement has since been signed on 10.7.95.

UGC Guidelines for the Constitution of Selection Committees for Academic Appointments

1304. SHRI ASHOK MITRA: Will the Minister of HUMAN RESOURCE DEVELOPMENT be pleased to state:

(a) what are the details of the guidelines laid down by the University Grants Commission for the constitution of Selection Committees to decide upon academic appointments;

(b) the monitoring arrangements to ensure that these guidelines are adhered to; and

(c) whether the UGC has made a survey of cases where recommendations of Selection Committees have been either ignored or circumvented by University authorities in the course of the past decade?

THE DEPUTY MINISTER IN THE MINISTRY OF HUMAN RESOURCE DEVELOPMENT DEPTT. OF EDUCATION AND DEPTT. OF CULTURE (KUMARI SELJA): (a) to (c) The information is being collected and will be laid on the Table of the House.

Students Seeking Admission in Kendriya Vidyalayas in Gujarat

1305. SHRIMATI ANANDIBEN JETHABHAI PATEL: Will the Minister of HUMAN RESOURCE DEVELOPMENT be pleased to state:

(a) the total number of students admitted in Kendriya Vidayalayas in Gujarat State during the last three years;

(b) the total capacity of those Kendriya Vidyalayas in the State;

(c) whether Government propose to raise the capacity of these Vidyalayas and to open some more Vidyalayas in view of the large number of students seeking admission there; and

(d) if so, the details thereof?

THE DEPUTY MINISTER IN THE MINISTRY OF HUMAN RESOURCE DEVELOPMENT (DEPTT. OF EDUCATION AND DEPTT. OF CULTURE) (KUMARI SELJA): (a) and (b) Kendriya Vidyalaya Sengathan has informed that the capacity and the total number of students admitted in class-I in the Kendriya Vidyalayas located in Gujarat State, are as follows:—

Year	Capacity	Students admitted
1992-93	2660	2544
1993-94	2625	2538
1994-95	2800	2578

(c) and (d) Kendriya Vidyalaya Sangathan has no proposal to raise the capacity of these Vidyalayas at present. Kendriya Vidyalayas are opened by the Kendriya Vidyalaya Sangathan in places having concentration of Central Govt./ Public Sector Undertaking employees, based on receipt of suitable proposals, inter-alia including suitable land and other infrastructural facilities, from the user agencies.

Installed Capacity of Cponge Iron Industry

1306. SHRI B.K. HARIPRASAD: Will the Minister of STEEL be pleased to state:

(a) whether the sponge iron industry in India has increased its installed capacity in recent years, thereby curtaining the necessity of import of steel melting scrap and if so, the quantum of decrease in the import of steel melting scrap for the last two years;

(b) how soon Government expects the indigenous sponge iron industry to meet the entire demand of steel melting scrap used by secondary steel sector; and

(c) whether Government envisages the phased winding up of Metal Scrap Trade Corporation Ltd. in view of the gradual curtailment of metal scrap imports?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI SONTOSH MOHAN DEV): (a) Installed capacity and production of Sponge Iron in India have increased in recent years. The Overall import of steel